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## **Pakistan and Iran border closure halts iron ore feed for PSM**

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The closure of Iran and Pakistan border after the recent suicide attack in Iran has resulted in a conflict between both the countries, halting the iron ore import for Pakistan Steel Mills.

The Nation learnt that Iran has closed its borders for Pakistan forcing the PSM to look out for other options to import iron ore in order to continue its production.

Sources said that iron ore import from other countries other than Iran would put huge financial burden on PSM. It is pertinent to mention that PSM has recently started buying locally produced iron ore but that strategy back fired as the local stuff was found costly and sub standard. The use of local raw material is being made with a view to keep the plants in running condition. But it is costing the PSM heavily as 2 batteries of coke oven have been destroyed.

One battery was repaired, which cost almost PKR 1 billion and the repaired battery is now working while the second one is under maintenance. Moreover, the PSM has recently bought some 40,000 tonnes to 50,000 tonnes of iron ore but that too is not enough to run the production for more than 20 days.

The experts in this regard said The Nation that the quality of PSM products would also be reduced, as it is not better option to run its plants on local raw material because it will tint the quality of the production of PSM. They said that the best quality can be achieved by mixing the raw material of different places; therefore, it is highly recommended to PSM not to depend on local raw material and must look out for other options available such as India after the closure of Pakistan and Iran border. It is pertinent to mention that PSM has been facing low production and sale for last few months and the mill has almost stopped working during last month because of shortage of raw material.

(Sourced from the Nation)

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